

IN THE UNITED STATES BANKRUPTCY COURT FOR  
THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DISTRICT

IN RE:

CIRCUIT CITY STORES, INC.,	)	CASE NO. 08-35653-KRH
et. al.	)	
	)	CHAPTER 11
	)	
	)	JOINTLY ADMINISTERED
Debtors.	)	

**RESPONSE OF THE UNITED STATES OF AMERICA TO DEBTORS'**  
**TWENTY-EIGHTH OMNIBUS OBJECTION TO CLAIMS**  
**(DISALLOWANCE OF CERTAIN AMENDED CLAIMS)**

The United States of America, on behalf of its Internal Revenue Service, by and through undersigned counsel, hereby responds to the debtors' objection as follows:

1. On November 10, 2008, the debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.
2. On November 12, 2008, the Court appointed Kurtzman Carson Consultants LLC ("KCC") as claims, noticing and balloting agent for the debtors in these Chapter 11 cases pursuant to 28 U.S.C. § 156(c).

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3. On July 24, 2009, debtors filed the instant, twenty-eighth omnibus objection to claims alleging that the claims at issue have been rendered moot by the claimant filing a subsequent "amending" claim that supersedes the claim as listed on debtors' Exhibit C to the objection.

4. The debtors have erred in claiming that certain "amending" claims were filed by the Internal Revenue Service.

5. On December 19, 2008, the Internal Revenue Service prepared a proof of claim in the total amount of \$5,176,709.49 which represented the debtor Circuit City Stores, Inc.'s, (Case No. 08-35653-KRH) outstanding tax liabilities.

6. In compliance with this Court's order dated December 10, 2008, which established the procedures to be followed for filing proofs of claim, on December 19, 2008, the Internal Revenue Service mailed the proof of claim to Circuit City Stores, Inc., et al., Claims Processing Department, Kurtzman Carson Consultants LLC (KCC), 2335 Alaska Avenue, El Segundo, CA 90245.

7. KCC stamped the Internal Revenue Service's proof of claim "RECEIVED" on December 29, 2008, and assigned it Claim Number 1996.

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8. At no time did the Internal Revenue Service mail or otherwise submit a second claim for the debtor Circuit City Stores, Inc.'s, (Case No. 08-35653-KRH) outstanding tax liabilities to KCC that was a duplicate of claim numbered 1996.

9. On information and belief, KCC through its own administrative processing error caused a duplicate claim to be filed on behalf of the Internal Revenue Service with respect to the debtor Circuit City Stores, Inc.'s, outstanding tax liabilities and assigned that duplicate Claim Number 2427.

10. The Internal Revenue Service does not, nor has it ever, sought to be paid twice for the debtor Circuit City Stores, Inc.'s, outstanding tax liabilities.

11. On March 10, 2009, the Internal Revenue Service prepared an amended proof of claim in the total amount of \$5,414,021.35 which represented the debtor Circuit City Stores, Inc.'s, outstanding tax liabilities and was filed to supersede Claim Number 1996. The claim was numbered 11845 by KCC. The Internal Revenue Service agrees with the assertion in Exhibit C that it should be the surviving claim.

12. On December 19, 2008, the Internal Revenue Service prepared a proof of claim in the total amount of \$2,743.37 which represented the debtor Circuit City Stores PR LLC's, (Case No. 08-35660-KRH) outstanding tax liabilities.

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13. In compliance with this Court's order dated December 10, 2008, which established the procedures to be followed for filing proofs of claim, on December 19, 2008, the Internal Revenue Service mailed the proof of claim to Circuit City Stores, Inc., et al., Claims Processing Department, Kurtzman Carson Consultants LLC (KCC), 2335 Alaska Avenue, El Segundo, CA 90245.

14. KCC stamped the Internal Revenue Service's proof of claim "RECEIVED" on December 29, 2008, and assigned it Claim Number 2001.

15. At no time did the Internal Revenue Service mail or otherwise submit a second claim for the debtor Circuit City Stores PR LLC's, (Case No. 08-35660-KRH) outstanding tax liabilities to KCC that was a duplicate of claim numbered 2001.

16. On information and belief, KCC through its own administrative processing error caused a duplicate claim to be filed on behalf of the Internal Revenue Service with respect to the debtor Circuit City Stores PR LLC's, outstanding tax liabilities and assigned that duplicate Claim Number 2433.

17. The Internal Revenue Service does not, nor has it ever, sought to be paid twice for the debtor Circuit City Stores PR LLC's, outstanding tax liabilities.

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18. On March 16, 2009, the Internal Revenue Service prepared an amended proof of claim in the total amount of \$441.54 which represented the debtor Circuit City Stores PR LLC's, outstanding tax liabilities and was filed to supersede Claim Number 2001. The claim was numbered 11847 by KCC. The Internal Revenue Service agrees with the assertion in Exhibit C that it should be the surviving claim.

19. On December 19, 2008, the Internal Revenue Service prepared a proof of claim in the total amount of \$346,609.12 which represented the debtor Circuit City Stores West Coast, Inc.'s, (Case No. 08-35654-KRH) outstanding tax liabilities.

20. In compliance with this Court's order dated December 10, 2008, which established the procedures to be followed for filing proofs of claim, on December 19, 2008, the Internal Revenue Service mailed the proof of claim to Circuit City Stores, Inc., et al., Claims Processing Department, Kurtzman Carson Consultants LLC (KCC), 2335 Alaska Avenue, El Segundo, CA 90245.

21. KCC stamped the Internal Revenue Service's proof of claim "RECEIVED" on December 29, 2008, and assigned it Claim Number 1997.

22. At no time did the Internal Revenue Service mail or otherwise submit a second claim for the debtor Circuit City

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Stores West Coast, Inc.'s, (Case No. 08-35654-KRH) outstanding tax liabilities to KCC that was a duplicate of claim numbered 1997.

23. On information and belief, KCC through its own administrative processing error caused a duplicate claim to be filed on behalf of the Internal Revenue Service with respect to the debtor Circuit City Stores West Coast, Inc.'s, outstanding tax liabilities and assigned that duplicate Claim Number 2401 .

24. The Internal Revenue Service does not, nor has it ever, sought to be paid twice for the debtor Circuit City Stores West Coast, Inc.'s outstanding tax liabilities.

25. On March 6, 2009, the Internal Revenue Service prepared an amended proof of claim in the total amount of \$0.00 which represented the debtor Circuit City Stores West Coast, Inc., outstanding tax liability and was filed to supersede Claim Number 1997. The claim was numbered 11834 by KCC. The Internal Revenue Service agrees with the assertion in Exhibit C that it should be the surviving claim.

26. On December 19, 2008, the Internal Revenue Service prepared a proof of claim in the total amount of \$17,120.32 which represented the debtor CC Distribution Company of Virginia, Inc.'s, (Case No. 08-35659-KRH) outstanding tax liabilities.

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27. In compliance with this Court's order dated December 10, 2008, which established the procedures to be followed for filing proofs of claim, on December 19, 2008, the Internal Revenue Service mailed the proof of claim to Circuit City Stores, Inc., et al., Claims Processing Department, Kurtzman Carson Consultants LLC (KCC), 2335 Alaska Avenue, El Segundo, CA 90245.

28. KCC stamped the Internal Revenue Service's proof of claim "RECEIVED" on December 29, 2008, and assigned it Claim Number 1999.

29. At no time did the Internal Revenue Service mail or otherwise submit a second claim for the debtor CC Distribution Company of Virginia, Inc.'s, (Case No. 08-35659-KRH) outstanding tax liabilities to KCC that was a duplicate of claim numbered 1999.

30. On information and belief, KCC through its own administrative processing error caused a duplicate claim to be filed on behalf of the Internal Revenue Service with respect to the debtor CC Distribution Company of Virginia, Inc.'s, outstanding tax liabilities and assigned that duplicate Claim Number 2429.

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31. The Internal Revenue Service does not, nor has it ever, sought to be paid twice for the debtor CC Distribution Company of Virginia, Inc.'s, outstanding tax liabilities.

32. On March 6, 2009, the Internal Revenue Service prepared an amended proof of claim in the total amount of \$0.00 which represented the debtor CC Distribution Company of Virginia, Inc.'s, outstanding tax liability and was filed to supersede Claim Number 1999. The claim was numbered 11828 by KCC. The Internal Revenue Service agrees with the assertion in Exhibit C that it should be the surviving claim.

33. On December 19, 2008, the Internal Revenue Service prepared a proof of claim in the total amount of \$2,000.00 which represented the debtor Intertan, Inc.'s, (Case No. 08-35655-KRH) outstanding tax liabilities.

34. In compliance with this Court's order dated December 10, 2008, which established the procedures to be followed for filing proofs of claim, on December 19, 2008, the Internal Revenue Service mailed the proof of claim to Circuit City Stores, Inc., et al., Claims Processing Department, Kurtzman Carson Consultants LLC (KCC), 2335 Alaska Avenue, El Segundo, CA 90245.



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35. KCC stamped the Internal Revenue Service's proof of claim "RECEIVED" on December 29, 2008, and assigned it Claim Number 2000.

36. At no time did the Internal Revenue Service mail or otherwise submit a second claim for the debtor Intertan, Inc.'s, (Case No. 08-35655-KRH) outstanding tax liabilities to KCC that was a duplicate of claim numbered 2000.

37. On information and belief, KCC through its own administrative processing error caused a duplicate claim to be filed on behalf of the Internal Revenue Service with respect to the debtor Intertan, Inc.'s, outstanding tax liabilities and assigned that duplicate Claim Number 2428.

38. The Internal Revenue Service does not, nor has it ever, sought to be paid twice for the debtor Intertan, Inc.'s, outstanding tax liabilities.

39. On January 9, 2009, the Internal Revenue Service prepared an amended proof of claim in the total amount of \$0.00 which represented the debtor Intertan, Inc.'s, outstanding tax liability and was filed to supersede Claim Number 2000. The claim was numbered 3965 by KCC. The Internal Revenue Service asserts that Claim Number 3965 should be the surviving claim relating to Intertan, Inc. In Exhibit C the debtor erroneously

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states that Claim 2429 relating to CC Distribution Company of Virginia, Inc., should be the surviving claim.

40. Said duplicate filings merely indicate a lack of proper administrative oversight resulting in unnecessary administrative costs and expenses to the debtors and creditors.

WHEREFORE, the United States of America requests the Court:

1. Overrule the debtors' objection to the Claim Number 1996 filed by the Internal Revenue Service;
2. Enter an Order allowing the Claim Number 11845 filed by the Internal Revenue Service and expunging Claim Number 2427 filed by KCC on behalf of the Internal Revenue Service;
3. Overrule the debtors' objection to the Claim Number 2001 filed by the Internal Revenue Service;
4. Enter an Order allowing the Claim Number 11847 filed by the Internal Revenue Service and expunging Claim Number 2433 filed by KCC on behalf of the Internal Revenue Service;
5. Overrule the debtors' objection to the Claim Number 1997 filed by the Internal Revenue Service;
6. Enter an Order allowing the Claim Number 11834 filed by the Internal Revenue Service and expunging Claim Number 2401 filed by KCC on behalf of the Internal Revenue Service;
7. Overrule the debtors' objection to the Claim Number 1999 filed by the Internal Revenue Service;

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8. Enter an Order allowing the Claim Number 11828 filed by the Internal Revenue Service and expunging Claim Number 2429 filed by KCC on behalf of the Internal Revenue Service;

9. Overrule the debtors' objection to the Claim Number 2000 filed by the Internal Revenue Service;

10. Enter an Order allowing the Claim Number 3965 filed by the Internal Revenue Service and expunging Claim Number 2428 filed by KCC on behalf of the Internal Revenue Service; and

11. Grant such further relief as is appropriate.

Respectfully submitted,

DANA J. BOENTE  
United States Attorney

By: /s/ Richard F. Stein  
Richard F. Stein  
Special Assistant United States Attorney

CERTIFICATE OF SERVICE

I hereby certify that on August 20, 2009, a true and accurate copy of the foregoing RESPONSE OF THE UNITED STATES OF AMERICA TO DEBTORS' TWENTY-EIGHTH OMNIBUS OBJECTION TO CLAIMS (DISALLOWANCE OF CERTAIN AMENDED CLAIMS) was electronically filed with the Clerk of the Court using the CM/ECF system, which will thereby cause the above to be electronically served on all registered users of the ECF system that have filed notices of appearance in this matter, and mailed, by U.S. Mail, first class, postage prepaid, to all persons on the attached Service List.

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